



BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
[B-63-2019]

Foreign-Trade Zone 8 – Toledo, Ohio; Application for Production Authority; Arbor Foods Inc. (Blended Syrup); Toledo, Ohio

An application has been submitted to the Foreign-Trade Zones (FTZ) Board by the Toledo-Lucas County Port Authority, grantee of FTZ 8, requesting production authority on behalf of Arbor Foods Inc. (Arbor), located in Toledo, Ohio. The application conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.23) was docketed on October 10, 2019.

The Arbor facility (over 40 employees, with two full-time employees for sugar blends) is located within Site 1 of FTZ 8. The facility is used for production of blended sugar. Arbor currently has FTZ authority to produce dry-blended sugar for the U.S. market, with a “grandfathered” quantitative limit of 37.9 million pounds of imported “ex-quota” sugar. Arbor also has authority to produce blended syrup (aka wet-blended sugar) for export only – with no quantitative limit on use of ex-quota sugar for that export activity. Arbor’s pending application seeks authorization to produce blended syrup for the U.S. market using up to the 37.9 million pounds of ex-quota sugar annually which, as noted above, is currently limited to production of dry-blended sugar.

On its domestic sales, production of blended syrup under FTZ procedures would allow Arbor to choose the duty rate during customs entry procedures that applies to blended syrup (duty rate: 6.0%) for the foreign-status input (granular sucrose, either cane or beet, duty rate: 35.74¢ per kg). Arbor estimates that 54% of the blended syrup

is comprised of the foreign-status component. Arbor would be able to avoid duty on the foreign-status component which becomes scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment. The request indicates that the savings from FTZ procedures would help expand the plant's sugar blend operations and allow Arbor to "reactivate" its commercial activity.

In accordance with the FTZ Board's regulations, Juanita Chen and Elizabeth Whiteman of the FTZ Staff are designated examiners to evaluate and analyze the facts and information presented in the application and case record and to report findings and recommendations to the FTZ Board.

Public comment is invited from interested parties. Submissions shall be addressed to the FTZ Board's Executive Secretary and sent to ftz@trade.gov. The closing period for their receipt is **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period to **[INSERT DATE 75 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the application will be available for public inspection in the "Reading Room" section of the FTZ Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Juanita Chen at juanita.chen@trade.gov or 202-482-1378, or Elizabeth Whiteman at elizabeth.whiteman@trade.gov or 202-482-0473.

Dated: October 10, 2019.

Andrew McGilvray,
Executive Secretary.

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